Texas State Council

OPERATIONAL POLICY/ PROCEDURE

Title: Reserves Policy	**Number:**
Cross Reference:	
Approved by: Texas State Council Board of Directors (BOD)	**Origination Date:**
Revised by: Bylaws, Policy & Procedure Committee	**Approval Date: 12/2025**
	Revision Date: 1/21/2021

I. PURPOSE:

The purpose of accumulating reserves of the Texas State Council is to assure the Texas State Council has the financial means to continue to provide essential services to its members and the general public in both the short and long-term future.

II. BACKGROUND/DEFINITIONS:

The creation and maintenance of adequate reserves is a fundamental tenet of sound financial management.

III. PROTOCOL/PROCEDURE:

1. It shall be the responsibility of the Texas State Council Treasurer to recommend to the BOD a target amount for the reserves in order to meet the objectives of this policy.

2. The objectives of this policy shall be reviewed and the target amount adjusted at intervals not to exceed three years.

3. The specific objectives of the Texas State Council Reserves are as follows:
   a. Sustain basic operations and core member services for a minimum of six months in the event there is a decline in a major revenue source.
   b. Sustain essential member services during a transition to a long-term economic downturn.
   c. Cover unbudgeted and extraordinary expenditures brought about by unanticipated challenges or opportunities.
   d. Provide a source of capital for research and development of new products and services that have the potential to significantly benefit the emergency nursing profession.
   e. Fund major capital improvements to serve members better such as new information/technology systems.
   f. Preserve enough funds so that the income from investment of these funds can be used to offer member benefits at lower cost than would otherwise be possible.
   g. Have enough funds to that income from investment can be shared with local chapters to further strengthen membership.

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